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MCC FOR S GROFF, D NASSIRY AND E BURKE

E.O 12958: N/A

TAGS: ECON ETRD WTO CE

SUBJECT: SRI LANKA: NO DECISION YET ON U.S. WTO TAFT GOODS

NEGOTIATING TEXT DEMARCHE

REF: STATE 20817

- 11. Summary: The Government of Sri Lanka (GSL) will not make a decision on the U.S. WTO textiles, apparel, footwear and travel goods (TAFT) negotiating text until it meets with apparel producers later this week. End summary.
- 12. Econoff delivered the TAFT negotiating text to senior government officials dealing with WTO matters in the Sri Lanka Department of Commerce and the Ministry of Foreign Affairs on February 26. They requested time to get back to us with their position.
- 13. Department of Commerce Director of Multilateral Trade Affairs Gomi Senadheera was familiar with the U.S. proposal on TAFT goods, and said that he considered it "very much in our interest." The Department of Commerce had the lead on the issue for Sri Lanka, but Senadheera said that he would need to consult with Sri Lanka's Joint Apparel Associations Forum (JAAF), which represents the apparel industry, before deciding whether to co-sponsor the proposal. He would meet with JAAF on Friday, March 2, which was the earliest that key JAAF members were available to discuss the matter. He promised a reply soon after that meeting. (Note: Senadheera recently returned from Sri Lanka's mission to Geneva, and was familiar with this and other WTO issues.)
- 14. Ministry of Foreign Affairs Economic Division officials Sashikala Premawardhane and B. Kandeepan reiterated that the Department of Commerce had the lead on this issue, but agreed that they saw no reason why Sri Lanka would not support it.
- 15. Post will follow up with the Department of Commerce next week and will report Sri Lanka's position as soon as it is established.

Blake